



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

November 15, 2001
(House)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 2269 - Retirement Security Advice Act of 2001

(Rep. Boehner (R) Ohio and 58 cosponsors)

The Administration supports House passage of H.R. 2269, which would help American workers to better manage their retirement savings by expanding the availability of investment advice. This bill also would place advisers who have affiliations with investment products on a more equal footing with non-affiliated advisers, foster competition among firms, and promote lower costs to participants. We must trust Americans to manage their own money. Given the necessary tools, everyone may become an owner of the American Dream.

Presently, the Employee Retirement Income Security Act (ERISA) generally impedes employers from obtaining investment advice for their employees from the financial institutions that often are in the best position to provide advice. H.R. 2269 would address this by affording certain plan participants access to advice from fiduciary advisers, who are regulated by Federal or State authorities. As fiduciaries under ERISA, these advisers would be held to the standard of conduct currently required by ERISA. H.R. 2269 also would add important protections to ERISA, by providing information to participants about fees, relationships that may raise potential conflicts of interest, and limitations on the scope of advice to be provided. These and other provisions in the bill would create a framework that will assure that advice is broadly available and fairly provided.

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